Compass 2% Strategy Partnership Committee Meeting
June 30, 2005

Meeting Minutes

THE FOLLOWING MINUTES ARE A SUMMARY OF THE FIRST COMPASS 2% STRATEGY PARTNERSHIP COMMITTEE MEETING. AN AUDIOCASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Compass 2% Strategy Partnership Committee Meeting held its first meeting at SCAG Offices in downtown Los Angeles. The meeting was called to order by the Bev Perry, Committee Chair.

Members Present

Don Brackenbush	Principal, Public Private Ventures, LLC
Greg Devereaux	City Manager, City of Ontario
Larry Gotlieb	Vice President, KB Homes
Beth Krom	Mayor, City of Irvine
Randall Lewis	Executive VP/Director of Marketing, Lewis Operating Corp.
Ehud G. Mouchly	READI LLC, Affiliate of Sun Cal Companies
Bruce Nestande	Former SCAG President, County Supervisor, and Legislator
Hilary Norton Orozco	Vice Pres., Community Development, Palmer Investments
Bev Perry	Chair, SCAG Past President
Alan Wapner	Mayor ProTem, City of Ontario

SCAG Staff Present

Mark Butala	Senior Regional Planner, SCAG
Lynn Harris	Community Development Manager, SCAG
Hasan Ikhrata	Director of Planning and Policy, SCAG
Mark Pisano	Executive Director, SCAG
Brian Wallace	Associate Regional Planner, SCAG

1.0   WELCOME AND INTRODUCTIONS

Ms. Perry called the meeting to order @ 10:00 A.M. She opened the meeting with self-introductions.

2.0   OVERVIEW OF COMPASS 2% STRATEGY

Ms. Harris provided an overview of the Compass 2% Strategy program. She emphasized the importance of this Partnership's direction on determining how to proceed on implementation.

SCAG has been working on the Growth Visioning program for the last five years. The CEHD committee branded it as the Compass program three years ago. This program offers regional and local benefits and resulted in influencing the 2004 RTP Growth Forecast through better integration of transportation and land use.

014

The plan is based on the following four principles: mobility, prosperity, livability, and sustainability.

SCAG includes 187 cities. This plan concentrates the implementation efforts on two percent of the regional land mass. SCAG encourages these cities to develop under the Compass principles. All member cities are eligible for technical assistance. Ninety-four of these jurisdictions are part of the 2% Strategy area.

SCAG chose these areas by using the four principles mentioned earlier and based on their proximity to planned and existing infrastructures, existing and planned transportation stations, existing and planned bus rapid transit lines, economic centers, airports, ports, emerging and existing regional metropolitan centers, and subregional centers.

Determining how to effectuate land use in these areas is the committee's challenge for the coming years. Of the 94 jurisdictions, we identified 50 as priority in-fill areas. Of the 50, based on Housing Community Developments state data, 37 have general plans that are eight years or older. Four of the 50 jurisdictions are currently up-dating their general plans.

SCAG is providing the following resources to our member cities as a part of this plan:

1) Keyhole Satellite Imagery
2) Redevelopment Photo-simulations
3) Tipping Point of Analysis, Return on investment financial tool
This financial planning tool facilitates communication between planners, city council members, and potential private developers.
4) LA lots - A web-based interactive tool and identifies lots that available for in fill. Currently this tool is only available for the Los Angeles County. We are asking RFP to offer this tool to the other five counties.

Ms. Harris showed an example of the keyhole satellite imagery and redevelopment photo-simulations using the City of South Pasadena Demonstration Project.

Other statewide tools being developed include Cal-Trans' Transit Oriented Development Study and Database, a bus rapid transit task team – Transit Outreach and Enhancements Branch, and the BTH in-fill housing study.

During the last fiscal year, SCAG worked on 5 Demonstration Projects that mirror the kind of work we want to do and that demonstrate reciprocity to local implementation. These projects involve planning, vision analysis work and redevelopment potential analysis, and a housing feasibility study. The largest project is with the City of Ontario. It uses scenario planning by creating a traffic model in subregional and regional contexts.

This type of planning is called Visioning. Other MPOs are also participating in Visioning. SCAG is communicating with other MPOs to gain an understanding of their experiences and the highlights and progress they have achieved with their implementation. Portland Metro is the most interesting one of these MPOs because the Oregon state law facilitates their implementation efforts. Envision Utah is another one of these MPOs. An important development in Envision Utah is the establishment of a common language and goal with the Utah cities, which resulted from their Visioning process. Contra Costa is the last of these MPOs. They focus on the general plan. They use the shared vision for up-dates; this allows for a greater understanding of the possibilities and impacts on the jurisdictions.

Ms. Perry asks the attendees if they have questions in regards to Ms. Harris' presentation.

Mr. Greg Devereaux reports that Ontario is currently up-dating their general plan.

3.0   ROLE OF THE COMMITTEE

Mr. Pisano thanks everyone for attending. He emphasizes that this is a campaign/partnership with the goal of implementing Visioning in this region; it is not a committee. This campaign will focus on networking and working outside of the meetings.

The Visioning concept is being or has already been implemented in at least four major California regions. The Sacramento project is called Blue Print. The Sacramento board approved it and is now incorporating it into their growth and transportation plans. The bay area plan is called Regional Livability Footprint; it is a joint effort amongst ABAG, MTC, and local groups. They also are in the process of incorporating it into their growth and transportation plan. The last is SANBAG. The County of San Diego passed an initiative to implement a Vision plan. These Vision plans are being widely discussed in Sacramento.

SCAG has learned from Visioning that we can get our regions to think beyond their expectations and start relieving the housing supply without an enormous political battle.

Visioning has allowed this region to conform to its air-quality regulations. Without it, a loss of federal transportation funds would have occurred. Visioning allows our transportation system to work without spending a lot of money.

This region is now spending seventy percent of every federal, state, and local transportation funds dollar on transit. We are not getting the return we need on it because we don't have an efficient development pattern. SCAG has seen these patterns repeat in each region.

Mr. Pisano observes that the interest groups are engaged in positive discussion of Visioning. A regional framework with local implementation is the way the state can address its growth, housing, transportation, and environmental issues.

3/7

Compass 2% Meeting Minutes
Doc # 112020v1
Prepared by G. Chien
8/3/2005 3:49 PM

016

Meeting Minutes

The state approved the allocation of five million dollars this year and five million dollars next year to the implementation of blueprint and Visioning strategies in its regions and sub-regions. This idea is beginning to develop currency within the state. The League and CEQA demands that Visioning must be a part of their housing cost solution strategy.

CEQA is comprised of two committees: the governor CEQA improvement task force and Prada's SB832 working group. Blueprint work is the core of all CEQA reform.

Visioning is now coming into its own in California; other states started working on this several decades ago. California is now stepping up and Mr. Pisano hopes that we will surpass the other states.

Mr. Pisano discussed SCAG's suggestions for the role of this partnership and points out that these are by no means exhaustive but a starting point for discussion. He asks for the attendees' feedback. The first role to be that of a cheerleader in each attendee's sectors. Second is to be an advocate to the policies necessary at the state and federal level to achieve our goal. Third is to work with the individual cities in the private and public sectors.

SCAG wants to influence the mayors of the critical cities to implement this strategy. There are ten critical cities including the City of Los Angeles, Ontario, San Bernardino, and Irvine. These cities' leadership needs to be at this table. This partnership has funding and Sacramento support.

4.0   **OPEN UP FOR DISCUSSION**

Mr. Nestande asks for a summary of the issues that the committee needs to lobby in Sacramento. He asks who is overseeing the five million dollar allocation in Sacramento.

Major Concepts/developments:
- Governor's Task Force on environmental streamlining. The task force's objective is to offer CEQA improvement suggestions. Mr. Pisano and Mr. Gotlieb serve this task force.
- Senator Perata SB832 Working Group: Mr. Pisano has been meeting with this group.
- Environmentalists seem to be willing; they are driven by housing costs and in-fill housing. The question is what can be moved legislatively?
- In-fill areas in blueprint regions could take advantage of some form of CEQA streamlining
- Builders do not want to have an exemption; they want "EIR light" or an environmental process that has minimal requirements in substance and procedures. An agreement on an in-fill EIR that is targeted to these areas maybe a possible piece of legislation this year.
- Put forth a GO bond for transportation and the in-fill housing issues.

4/7

017

Compass 2% Meeting Minutes
Doc # 112020v1
Prepared by G. Chien
8/3/2005 3:49 PM

- Long term solution involves CEQA analysis done up front in regional cumulative plans and city and county general plans. Minimize or eliminate CEQA analysis.
  - Planning should be done through general plans not CEQA
  - Need funding for in-fill development like greenfields. Need tools and funding for litigation.
- Secretary of BTH is responsible for handling the funds. CALTRANS and BTH will administer the funds.

Mark Pisano:
- The state is in a downward spiral based on our research. We have a short time period to work on it.
- The environmentalists are unsatisfied with their efforts during the last two decades. They will not give those up however until something better is set into place.
- Need to show that we can work on this collectively and that we are willing to ask for the authority to do it.
- Need to rethink city-building as an enterprise funding strategy instead of a grant-aid structure.
- Economic prosperity is a fundamental principle of the Vision. It must be central to the discussion.
- We must reconfigure the areas around ports (including inland ports) and airports to support logistics industry.

Don Brackenbush:
- Can we clearly define the local 2% opportunity areas? Is there enough opportunity in these areas to meet our goals?
- Need to clarify the quantitative statement of the problem.
- Getting the word out is fundamental. Some cities don't know about this. Coachella Valley has great potential and willing participants - deliver message via Compass presentation to areas between La Quinta and Salton Sea. (Agreed to send initially the South Pasadena presentation as an example of what we can do to tailor to specific cities/subregions).

Greg Devereaux:
- Look for quick wins where political will already exists.
- Use more symposiums - focus on benefits before we talk about what we are going to do.

Larry Gotlieb:
- Tools for COGS: A group of homebuilders, League of Cities, and CEQA that is currently meeting will have a big positive impact. For RHNA, many of HCD's responsibilities may be devolved to the COGS. Working within a ten year planning period gives more certainty to developers.

Meeting Minutes

- Land use is too complicated - need education/tutorial for legislators.
- Decouple sales tax from land use decisions. Allow jobs and housing to compete with sales tax generators.
- In-fill only accommodates a small percentage of the population growth.

Beth Krom:
- Sounds great in theory. How is this going to work in practice?
- Concerned about not compromising environmental issues.

Randall Lewis:
- Need a Compass 101 to educate larger audiences on the program and of the benefits, especially cities unfamiliar with Compass/and or SCAG.
- Macro PR campaign - use demonstration cities as learning tools for cities in region.
- List of incentives for cities - fiscal benefits, tool kit, argument for housing development instead of relying on sales tax revenue from retail.
- How many cities do we need to reach to make the forecasts work? Is the in-fill solution (as opposed to creating new regional centers or another strategy) a homerun?
- Housing battle needs to be won at big level – need better method.
- Should concentrate on Metro Centers and City Centers to make largest physical impact.
- How do we get jobs to the outlying areas of the region?
- We must strategically target the $500 million workforce development funds in the region.
- Consider a large-scale, multi jurisdictional Demo Project in Inland Empire (District Scale). Talk to Supervisor Jeff Stone.

Ehud G. Mouchly:
- The environmentalists don't like to change the rules. Concerned CEQA reform may not improve the situation. Wouldn't want to lobby too hard on this issue.

Bruce Nestande:
- What are the in-fill incentives and definitions? How do we apply this in-fill concept to different communities? We must bring good tools to the table.
- We should develop a Compass Partnership Mission Statement.

Hilary Norton Orozco:
- We need to discuss the fiscal impact of area developments.
- An impasse exists regarding transportation decisions at the federal level.
- How will the various sub-systems co-exist together? How do we work together?

Bev Perry:
- The Compass 2% Strategy came forth and is successful to date because people believe that we can't continue to operate they way we have been.

019

Alan Wapner
- Develop education campaign for elected officials and general public.

5.0   ADJOURNMENT
The meeting was adjourned at 11:05 A.M.

020